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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of

Telephone Number Portability

TO: The Commission

)
)
) CC Docket No. 95-116
)

COMMENTS OF NEXTEL COMMUNICATIONS, INC.

NEXTEL COMMUNICATIONS, INC.

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I. INTRODUCTION

Pursuant to Public Notice of the Federal Communications Commission ("Commission"),^{1/} Nextel Communications, Inc. ("Nextel") respectfully submits these Comments on the Cellular Telecommunications Industry Association's ("CTIA") Petition for Forbearance from the Commercial Mobile Radio Service ("CMRS") obligation to provide local number portability ("LNP").^{2/}

In the Petition, CTIA asserts that the Commission should forbear from the LNP requirement for at least five years, thereby enabling new entrant providers such as Personal Communications Services ("PCS") licensees to build out their systems prior to investing time and resources in the development of LNP solutions.^{3/} Nextel files these Comments to oppose CTIA's

^{1/} Public Notice, "Wireless Telecommunications Bureau Seeks Comment on CTIA Petition Requesting Forbearance From CMRS Number Portability Requirements," CC Docket No. 95-116, DA 98-111, released January 22, 1998.

^{2/} Petition for Forbearance of the Cellular Telecommunications Industry Association, filed December 16, 1997 in CC Docket No. 95-116 (hereinafter "Petition").

^{3/} Petition at pp. 3-4.

request for a five-year forbearance from CMRS LNP obligations.^{4/} As a new entrant CMRS provider, competing with both cellular and PCS carriers, Nextel supports LNP implementation as a tool to further enhance the growing competition in the CMRS industry, and asserts that it can be achieved concurrently with aggressive system buildout. Delaying implementation for five years (or longer) would rob consumers of the "flexibility in quality, price and variety of telecommunications services they can choose to purchase."^{5/}

II. BACKGROUND

Nextel is the Nation's largest provider of wide-area Specialized Mobile Radio ("SMR") services. Wide-area SMR services are digital telecommunications systems that offer consumers a unique combination of fully integrated services: cellular telephone service, private network dispatch (i.e., one-to-one communications that do not make use of the public switched telephone network ("PSTN")), instant conferencing (one-to-many communications that do not access the PSTN), paging, text messaging, voice mail and call forwarding -- all on a single handset with combined billing and customer support.

^{4/} Denying the five-year postponement of LNP implementation would not be inconsistent with the Commission's acting favorably on CTIA's separate request for a nine-month delay of the current June 1999 CMRS LNP implementation date. CTIA and other industry participants have adequately demonstrated that existing technical hurdles will delay implementation beyond the June 1999 date.

^{5/} See First Report and Order and Further Notice of Proposed Rule Making, CC Docket No. 95-116, 11 FCC Rcd 8352 (1996) ("LNP Report and Order") at para. 30.

Digital wide-area SMR systems are configured on a "cellular-like" basis, employing multiple low-power radio towers that are interconnected to the PSTN and can enable call hand-off as a user moves throughout the system's coverage area. Nextel is rapidly constructing its nationwide digital telecommunications system, and now offers its wide-area SMR services to customers in over 400 cities and 75 of the top 100 markets in the country. By the end of 1998, Nextel's wide-area systems will cover approximately 85% of the population of the U.S.

III. DISCUSSION

The Commission concluded in 1996 that LNP is in the public interest because it "provides consumers flexibility in the way they use their telecommunications services...", it "promotes the development of competition among alternative providers of telephone and other telecommunications services[,]" and it increases competition "by, among other things, allowing customers to respond to price and service changes without changing their telephone numbers."^{6/} Nothing in the CMRS industry has changed that would justify a departure from those conclusions in the LNP Report and Order. Customers still will benefit from the flexibility LNP provides as carriers are incented to increase their competitiveness to retain customers who might otherwise choose another carrier (keeping their phone number), and the overall competitiveness of the marketplace will be enhanced.

^{6/} LNP Report and Order at paras. 28, 30.

CTIA claims that "the immediate intended beneficiaries of number portability, PCS carriers, do not deem the near-term implementation of number portability to be as high a priority for marketplace competition as rapid buildout and price competition."^{7/} This assertion, however, ignores (a) that wide-area SMRs are an equally intended new entrant beneficiary of LNP, and (b) that not all new entrants agree that system buildout and LNP implementation are mutually exclusive. Nextel is rapidly constructing a nationwide network and is prepared to implement LNP concurrently with its system buildout. In just over a year, Nextel has expanded its system coverage to over 400 cities nationwide and has constructed over 2,000 radio towers.

The competitive benefits that LNP will afford new entrants, however, are equally important and should be pursued as soon as possible. CTIA asserts that LNP implementation will actually harm consumers by decreasing system coverage, price competition and overall competition. Nextel, on the other hand, believes that coverage does not have to be adversely affected by LNP implementation because carriers, well aware that coverage is an important competitive tool, will continue to build out their systems and improve their coverage areas to compete in the marketplace. If competing in the CMRS marketplace requires both LNP implementation and system buildout, competitive carriers will ensure that both are achieved and that customers are provided state-of-the-art communications tools.

^{7/} Petition at p. 5.

LNP implementation, moreover, is an important tool for new entrants because, once a system is constructed and competitive coverage areas are achieved, the carrier must be in a position to attract customers. As the Commission has concluded, LNP is an important tool for attracting customers because, without it, many consumers are unwilling to switch carriers.^{8/} Therefore, LNP is important to ensure that new entrants can maximize their ability to serve customers on their newly constructed systems.

Additionally, LNP implementation prospectively offers benefits throughout other areas of the telecommunications industry -- in particular, the assignment of telephone numbers. Further postponement of LNP implementation would perpetuate the plethora of problems created by telephone number exhaust. The sooner LNP is implemented, the sooner the industry can move forward with alternative methods of numbering administration. To date, effective participation in potentially more efficient telephone number assignment methods, e.g., number pooling, are curtailed by CMRS carriers' inability to provide LNP. Therefore, extensive delay in LNP deployment schedules threatens to likewise delay alternative avenues for more efficient and effective telephone numbering administration.

CTIA has failed to establish that forbearance from LNP obligations is justified under Section 10 of the Communications Act of 1934 ("the Act"). The Commission has previously concluded that LNP is in the public interest. The competitive benefits derived

^{8/} LNP Report and Order at para. 31.

from LNP and the flexibility and choice it provides consumers enhance the overall competitiveness of the telecommunications marketplace. Therefore, forbearing from the LNP obligation for five years would not be in the public interest and therefore is not justified under Section 10 of the Act.

IV. CONCLUSION

For the reasons discussed herein, the Commission should deny the Petition.

Respectfully submitted,

NEXTEL COMMUNICATIONS, INC.

By, 

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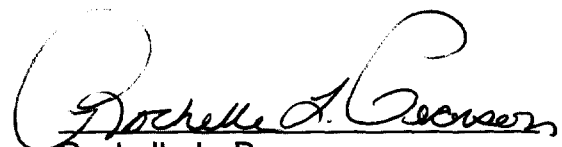
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Date: February 23, 1998

CERTIFICATE OF SERVICE

I, Rochelle L. Pearson, hereby certify that on this 23rd day of February 1998, I caused a copy of the attached Comments of Nextel Communications, Inc. to be served by hand delivery to the following:

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Rochelle L. Pearson